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SUBJECT: JERUSALEM MEDIA REACTION (07/06): Abbas Calls for Cessation
of all Settlement Activities Before Resumption of Negotiations

Main Stories:

Al-Ayyam and Al-Hayat Al-Jadida front pages report on remarks by Palestinian Authority (PA) President Abbas during the inauguration of a new public park in Ramallah (July 5), that the PA will not accept the continuation of settlement activities on Palestinian land. Abbas called for a solution to the issue of the Palestinian refugees, based on road map obligations, the Arab Peace Initiative and UN Resolution 194. Abbas also added that the two-state solution is the best mechanism for ending the Palestinian-Israeli conflict, and all settlement activities must cease -- including "natural growth." Abbas pointed that only then will negotiations resume between the two parties. Regarding the national reconciliation talks in Cairo, Abbas noted that the PA will fully support bringing an end to the internal division and achieving national unity. Concerning the Fatah 6th congressional conference, Abbas confirmed that the conference will be held in Bethlehem on August 4.

Al-Quds, Al-Hayat Al-Jadida, and Al-Ayyam run front page coverage of Israeli Prime Minister Benjamin Netanyahu's statements made during the Israeli weekly cabinet meeting, in which he presented his government's achievements during his first 100 days in office. Netanyahu pointed out that he believes in the two-state solution. However, he noted that his government will not stop settlement activities, asserting that the Palestinians must recognize Israel as a Jewish state as a precondition to any future agreement between the Israelis and Palestinians. Netanyahu noted again that the issue of the refugees must be resolved without resettlement inside Israel and further that any Palestinian state has to be disarmed.

All dailies run front page coverage on comments made by US Vice President Joe Biden, who stated that the US will not intervene to stop Israel from conducting an attack against Iranian nuclear

facilities.

Al-Quds and Al-Ayyam report on the Jerusalem municipality's endorsement of construction of 20 new housing units in the area surrounding the Shepherds Hotel in Sheikh Jarrah, East Jerusalem. Palestinian Authority experts on settlement issues condemned the decision, contending that it jeopardizes the chances of establishing a Palestinian state with Jerusalem as its capital.

Al-Ayyam and Al-Hayat Al-Jadida run front page coverage of two new cases of swine flu in Ramallah, increasing to 61 the total number of reported cases in the West Bank and Gaza.

Al-Hayat Al-Jadida reports that a number of Palestinian Legislative Council (PLC) members protested in front of the PLC in Ramallah on July 5, calling for the release of colleagues jailed by the Government of Israel for more than 3 years.

Al-Ayyam's front page reports that the Palestinian Authority will start paying salaries for civil servants of the PA working in the West Bank and Gaza on July 6, despite the PA's current severe financial crisis.

Weekend Stories:

Sunday, July 5:

Al Quds, Al Ayyam, and Al Hayat Al Jadida report on an announcement

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by Fatah Central Committee member Ahmad Qurei', that final steps have been taken to convene the movement's sixth general conference. The conference will take place on August 4 in Bethlehem, to be named "the conference of the founding martyr Yasser Arafat." The number of members included in the conference will be limited to 1550. Measures are being taken to facilitate the travel of Fatah members from Gaza and abroad.

Al Quds' front page reports that Palestinian legal sources revealed a series of new Israeli decisions and laws related to the 'Holy Basin' area to ensure Israeli control over the surroundings and vicinity of the Old City of Jerusalem, including a network of parks and roads encircling the Old City. According to the report, this project is to be funded with over one billion dollars in Israeli and Western financial support over the next four years.

Al Quds and Al Hayat both report that a Hamas source denies claims that a heated argument occurred between senior Hamas figure Mahmud Zahhar and Omar Suleiman, Chief of the Egyptian Intelligence Service (EGIS), during the most recent round of the Cairo talks. The source claimed that some parties are trying to disrupt relations between Hamas and Egypt. The source also denied Hamas's accusation that Egypt is biased towards Fatah .

Al Ayyam reports statements made by Dr. Zakariah Al Agha, member of the Fatah movement Central Committee, that failure to reach an agreement in the next round of unity talks will affect the conducting of presidential and legislative elections on January 25, 2010. Dr. Al Agha further stated that "the failure to conclude matters at the end of this current month, will cast doubts regarding the timing of the presidential and legislative elections." Al Agha indicated that issues of contention remained the same, despite some progress, and stressed that the issue of political arrests was accorded a lot of attention during the most recent round of dialogue.

Saturday, July 4:

Al Quds, Al Ayyam, and Al Hayat Al Jadida include front-page reports of statements made by President Obama calling for Palestinians and Israelis to "fulfil their obligations" towards peace, in a letter sent by the President to King Mohammed VI of Morocco. President Obama is reported to have stressed the importance of negotiations

between Israelis and Palestinians, which would not succeed unless both parties are committed to negotiations. For Israel, this means halting settlement activities and removing checkpoints. For Palestinians, this means enhancing their security forces and ending to all incitement, as well as reforming their institutions for the establishment of a Palestinian state."

Al Ayyam reports statements by western diplomats that in recent discussions with leaders of Arab governments, the U.S. and its Western allies tried to gauge the willingness of Arab governments to remove some of the sanctions imposed on Israel if Israel stopped the construction of Jewish settlements. According to the diplomats, the positions of the Arab leaders were lukewarm and reserved.

Al Quds front page reports that information received by Israeli military officials from American engineers working with the Egyptian army that Hamas has dug tunnels that resist detection and destruction by the Israeli army. According to Israeli assessments, Hamas currently has hundreds of active tunnels under the Philadelphi corridor despite Israeli air forces destroying around 200 tunnels

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during the war on Gaza in December 2008 and January 2009.

Al Quds, Al Ayyam, and Al Hayat Al Jadida report that Israeli security agencies have recommended to the Israeli government that a number of measures be taken to alleviate the situation for Palestinians in the Gaza Strip, in an attempt to support efforts to release the captured Israeli soldier Gilad Shalit. According to the report in the Israeli daily Yediot Aharanot, the security agencies recommend allowing the entry of certain products into the strip that includes fuel, coffee, tea, and canned food.

Al Quds, Al Ayyam, and Al Hayat Al Jadida all reported on an announcement by Bahrain that it sent an official delegation to Tel-Aviv, in the first visit by Bahraini officials to Israel - a country not recognized by the Kingdom of Bahrain. The Bahraini delegation was sent to accompany five Bahrainis who were arrested in the "Free Gaza" boat incident.
Friday, July 3:

Al Quds, Al Ayyam, Al Hayat Al Jadida ran extensive coverage of the U.S. Independence Day celebration at the Consulate General in Jerusalem (July 2). Al Quds and Al Hayat Al Jadida covered the event on its front pages, with Al Ayyam reporting the event in its inside pages. Photos of Consul General Jacob Walles delivering his remarks were also included in Al Ayyam and Al Hayat Al Jadida. Headlines emphasized Walles' affirmation of the importance of a two-state solution, and President Obama's determination to achieve peace between the Palestinians and Israelis.

BLOCK QUOTES:

1) Al-Quds editorial, "Israel tries to gain more time" (07/06):
"After the statements by the Israeli Prime Minister on not halting any of the settlement activities, it is obvious to the US and the international community that Israel is the real obstacle that hinders the success of the peace process (and) all that Israel is trying to do is to gain more time and mislead public opinion... the US must now insist on the international peace conference with the participation of all related parties so that Israel, [if it declines to meet its obligations] can be accused of playing a negative role in jeopardizing peace, security and order in the region."

2) Omar Hilmi Al-Ghoul, Al-Hayat Al-Al-Jadida, "What is still hidden for Jerusalem" (07/06): "In light of the continued Israeli violations and measures against the Judaization of Jerusalem, is there any one to rescue the city? Would the Arabs think seriously of punishing Israel and stop normalizing relations with her, would the West and Obama's administration take a strict decision regarding the settlements and the violations, would the West impose any pressure on Israel other than the public announcements?"

WALLES